United Nations E/CN.5/2008/NGO/8

Economic and Social Council

Distr.: General
27 November 2007

Original: English

Commission for Social Development
Forty-sixth session
6-15 February 2008
Item 3 (a) of the provisional agenda*
Follow-up to the World Summit for Social Development and the twenty-fourth special session of the General Assembly: priority theme: promoting full employment and decent work for all

Statement submitted by International Movement ATD Fourth World, a non-governmental organization in consultative status with the Economic and Social Council

The Secretary-General has received the following statement, which is being circulated in accordance with paragraphs 36 and 37 of Economic and Social Council resolution 1996/31.

* E/CN.5/2008/1.

07-61495 (E) 071207

Statement

Background: the challenges specific to extreme poverty

1. It is often stated that employment, one of the three pillars of social development as agreed in Copenhagen in 1995, is key to poverty reduction. Employment — whether salaried employment or self-employment — is essential for people to live with the security that they will be able to meet their family's needs and participate in and contribute to society.

2. Development projects often cite poverty eradication as their primary goal. However, because they do not take into account the difference between poverty and extreme poverty, often these projects reach only those who are already better off, leaving out the poorest. The Millennium Development Goals Report (2007) emphasizes that poverty reduction has been accompanied by rising inequality.[1] Thus, experience is showing that, in striving to meet the MDGs, the needs of the poor may, in reality, take precedence over those of the extremely poor.[2]

3. The definition of extreme poverty proposed by the founder of International Movement ATD Fourth World, Joseph Wresinski, and presented in the 1996 Despouy report on human rights and extreme poverty, notes that "*The lack of basic security connotes the absence of one or more factors enabling individuals and families to assume basic responsibilities and to enjoy fundamental rights... The lack of basic security leads to chronic poverty when it simultaneously affects several aspects of people's lives, when it is prolonged and when it severely compromises people's chances of regaining their rights and of reassuming their responsibilities in the foreseeable future.*"[3] A man living in poverty recently stated: "*If a person can't get above the level to where they can live, then to me, that is bondage...We are not free.*"

4. More than simply a lack of money, extreme poverty thus manifests itself as a lack of other resources necessary for establishing a healthy, productive and dignified life. Extreme poverty results in isolation from wider society, meaning that frequently the poorest are unable to access the resources that could potentially help them overcome their circumstances.[4] Such isolation prevents the poorest from exercising their rights and taking on their responsibilities as active citizens.[5] In his 2007 report, "Promoting employment and decent work for all," the United Nations Secretary-General noted, "poverty reduction...[depends] on the ability of the poor to respond to the increasing demand for labour in the more productive categories of employment."[6] However, when the poorest are socially excluded and cannot access productive employment, they cannot reap the benefits of such policies. Training and education — standard practices in

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[1] United Nations, The Millennium Development Goals Report 2007, New York, 2007. p. 8.

[2] World Bank. 2006. *Participatory Approaches to Attacking Extreme Poverty: Case studies led by the International Movement ATD Fourth World.* X. Godinot and Q. Wodon, Eds.

[3] Report presented by Leandro Despouy to the Subcommission on the Prevention of Discrimination Measures and Protection of Minorities. United Nations, Geneva (E/CN.4/Sub.2/1996/13), Annex III.

[4] World Bank. 2006. *Participatory Approaches to Attacking Extreme Poverty: Case studies led by the International Movement ATD Fourth World.* X. Godinot and Q. Wodon, Eds.

[5] Ibid.

[6] See http://v1.dpi.org/lang-en/resources/details.php?page=853.

employment-based development — are not sufficient to help the poorest re-enter the labour market.

5. During the recent consultation on the Draft Guiding Principles on Extreme Poverty and Human Rights, people living in poverty in Peru expressed their frustrations in accessing decent work: "*The problem is that, in our country, we know very well that there's no work. And at times, to get a job, people take whatever's available and so all they do is work, work, and work, and they live this way. But they don't have any time to spend with their families.*"[7]
Even when policies are directed towards those living in extreme poverty, feelings of shame and fear may prevent many from accessing such services. One man recounts, "*I have worked for a whole day for just a meal compensation. I have been lured into working for free, expecting to be hired longer if I worked well*".[8] As a population historically taken advantage of, the poorest may feel distrustful of development policies, even those intended to help them.

6. These complex manifestations of extreme poverty call for a multifaceted strategy to address them. There is indeed growing recognition that many employment-based poverty eradication initiatives, while enjoying a certain rate of success, do not effectively reach the poorest. In Bangladesh, BRAC recognizes that in order for the 'ultrapoor' to benefit from microfinance initiatives, opportunity ladders must be created. The four linked components include employment training, a special investment programme including stipend support, social development by providing support to develop livelihoods, and health care services.[9] This initiative attempts to address the barriers preventing the poorest from benefiting from initiatives designed to fight poverty. It recognizes that, among poverty alleviation programmes, one size does not fit all.

7. Recently, the United Nations High Commissioner for Human Rights noted that reaching poverty reduction targets like the Millennium Development Goals (MDGs) "can easily be achieved at the expense of, rather than in the name of, the poorest and hardest to reach."[10]

Challenges

8. Many people living in extreme poverty have challenges outside the labour realm that keep them from participating in the formal labour market; basic daily survival requires much of their time and attention. The challenges differ from North to South, rural to urban, but difficulties for very poor people remain the same. Among other things, family obligations and frequent absenteeism as a result of poor health may prevent the poorest from maintaining the good attendance records required by most employers.

9. Jane, from the rural United States, recounts that her boss threatened to fire her because she needed to look after her sick daughter: "*I called into work and told them that I couldn't come in*

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[7] International Movement ATD Fourth World. 2007. *"Dignity in the Face of Extreme Poverty" http://www.atd-fourthworld.org/Dignity-in-the-Face-of-Extreme.html.*
[8] World Bank. 2006. *Participatory Approaches to Attacking Extreme Poverty.*
[9] http://www.brac.net/cfpr.htm.
[10] See http://www.wunrn.com/news/2007/07_07/07_09_07/071507_un4.htm.

because I had to be with my daughter... My boss at the time starts cussing and saying that I can either be a stay-at-home mom or I could work... To her, I should have come in to work, should have gotten a babysitter. It didn't matter that I thought that my child's need was greater." In Peru, ATD Fourth World members explained how, unable to find work, they are forced to generate their own, but often their efforts, rather than being encouraged and supported by local authorities, are met with numerous obstacles.

10. ATD Fourth World members living in extreme poverty in the rural United States suggested initiatives to improve their access to work, including subsidized transportation costs, child care, medical coverage, or simply receiving a sufficient wage for employees to cover necessary costs themselves. Many say the most important of these are health care and job security; they need "*sick days, to be able to leave and not get fired if there is an emergency*".

11. Often, low-paying jobs simply do not make sense financially, taking into account transportation and childcare. Says Jane, "*I am not making enough to even go out to work.*" For some, decent work is "*anything that will feed your family... People should feel good about the fact that their family is fed and they have decent housing.*" Policies directed towards the poorest should be based on their strengths and skills, rather than simply providing special work programmes that may further exclude them. When appropriately supported by employment policies, those excluded from work can regain the confidence and skills to return to work.

12. Relationships must be developed with people living in extreme poverty so they become active partners in the development of employment practices targeting their specific needs. Organizations must be prepared to make sustained, long-term commitments. Improving access of the poorest to employment requires meaningful capacity-building, which cannot happen when projects are oriented towards short-term results.

13. Encouraging local businesses to partner with people living in extreme poverty has proved a fruitful approach to eradicating poverty through fair employment practices. Doing so often inspires confidence in others, who otherwise might be wary of employing poor populations but who have already developed trust in well-known businesses. The partnership also engenders a sense of solidarity between people living in extreme poverty and local business and community leaders, an essential step in eliminating stereotypes and creating quality job opportunities.

14. In partnership with people living in extreme poverty, ATD Fourth World launched a project in Madagascar through which young people receive computer and Internet training. They have a responsibility to share their new found knowledge with other youth, so that the benefits of the program are multiplied exponentially. The employees have created an online artisan co-op through which local artisans can sell their wares. ATD Fourth World pilots the project and, in collaboration with businesses, encourages the participation of the most disadvantaged communities.

15. The project demonstrates that throughout the process of establishing trusting relationships with the poorest in creating employment opportunities, the voices of those living in extreme poverty can be actively solicited and incorporated, providing a real world example of how good

employment practices can be practically implemented to create quality job opportunities for the poorest.

16. Recommendations

The issue of employment as it relates to the very poor has been receiving increased attention. However, few initiatives directly target people living in extreme poverty, as their social and physical exclusion make them a difficult population to address.

The following points are recommended for consideration:

(a) Supporting the extremely poor in returning to the labour market requires a sustained and long-term effort. Improving the access of the poorest to employment opportunities requires meaningful capacity-building, which cannot happen when projects are oriented towards short-term results;

(b) In order to develop employment policies directly and actively target the poorest, the needs and voices of the poorest must be actively solicited. Training and education — standard practices in employment-based development — are not sufficient to help the poorest re-enter the labour market. Local, decent jobs must be available and accessible to the poorest in order for them to benefit fully from employment training programmes. Access to decent, safe, and fulfilling work is fundamental to the achievement of social development, and people in poverty are the first actors in efforts to secure dignified work. Their daily efforts should be harnessed and supported, and their experiences capitalized upon, to develop long-term, inclusive, and harmonious employment for all. Policies directed towards the poorest should be based upon their strengths and their skills, rather than through special work programmes that may only further exclude them from the rest of the economy and society. Policies should also include the encouragement and facilitation of self-employment by people living in extreme poverty. For this to be effective, there must be a genuine consultation with people living in poverty in order to identify and address the particular challenges they face in this regard.

(c) The very poor require specifically targeted efforts to include them in employment policies, although many programmes continue to target only the most employable participants. In order to reverse this trend, the most excluded should be prioritized and supported in such a way that is tailored to their specific needs. The international community and all countries should regularly evaluate the impact of overall employment policies and economic growth from the perspective of the lives of the most excluded and the promotion of social cohesion.